

**TOWN OF DARIEN
BOARD OF FINANCE
REGULAR MEETING
MAY 17, 2016**

ATTENDANCE: Jon Zagrodzky, Chairman; Frank Huck, Bruce Orr, James Palen, Diana Maguire

ABSENT: James McLaughlin, David Lopiano

STAFF: Jennifer Charneski, Finance Director

OTHERS: Ms. Kate Buch, Town Administrator; Mr. Edward Gentile, DPW Director; Mr. Jack Davis, RTM F&B Chair, Mr. Shaun Volin, the Board of Fire Commissioners Chairman

CALL TO ORDER.

Mr. Zagrodzky called the meeting to order at 7:31 p.m. A quorum was present.

Discuss and Take Action on Special Appropriation and Transfer for Board of Education Central Office/Mather Community Center Building Project.

a. Transfer from Debt Service (\$401,932.54)

b. Special Appropriation

State Grant (\$181,363.46)

Fund Balance (\$567,695)

Ms. Buch came forward and said that there were a number of issues that had arisen with the 35 Leroy Avenue renovation, such as the contractor going bankrupt. At the Mather Center, there were a number of issues regarding fire alarms, hazmat abatement, HVAC issues and other contracting issues. Ms. Buch said that there were two requests and explained the details concerning each one.

Ms. Buch said that the State had given the Town a grant for purchasing 35 Leroy. The State money has been received and must be used to pay debt service. The grant was equal to the amount requested to be transferred from Debt Service.

An additional \$180,000 of grant funding was for renovation costs, Ms. Buch said and this will need to be presented to the RTM for approval. The remaining funding is requested as an appropriation from Fund Balance and will require RTM approval.

The Board of Finance can do the transfer from debt service without the transfer going to the RTM because it is funding that has already been appropriated.

Mr. Huck noted that the first line of the transfer request listed the appropriation amount as \$7,979,000 when it should be \$6,979,000 on both memos.

Mr. Orr asked Ms. Buch what lessons were learned from these projects in the future. Ms. Buch said that they already started to use the lessons learned on the Public Works garage. She said the administration has learned to appropriate the design funding and to have the design completed with firm numbers before requesting construction funding. There was not enough Contingency funding set aside. Regular reports to the Board of Selectmen would have helped. Ms. Buch said that she felt that the Town should have a standing Building Committee because currently, the appointees come in with limited knowledge of how a municipal building project is handled. Discussion followed.

Mr. Huck asked if there was a timeline on the lawsuits. Ms. Buch said that they expected to be in court in the fall. Discussion followed.

Mr. Orr asked about the lower level of 35 Leroy. Ms. Buch said that it was Town space and it would incur significant costs to make it into a lecture hall.

Mr. Zagrodzky said that he felt having a standing Building Committee would have been helpful to ask many of the questions that were raised later. He stressed that he did not want this to become something that would bog future projects down in bureaucracy.

**** MR. ORR MOVED TO APPROVE THE FOLLOWING ITEM:**

Board of Education Central Office/Mather Community Center Building Project

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
10811011-88811	Debt Service	\$401,932.54	31511013	BOE Central Office	\$338,670.00
			31552013	Mather Center	\$63,262.54
	TOTAL	\$401,932.54		TOTAL	\$401,932.54

**** MR. HUCK SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

**** MS. MAGUIRE MOVED TO APPROVE THE FOLLOWING ITEM AS CORRECTED:**

Board of Education Central Office/Mather Community Center Building Project

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
31511993-43207	State Grant	\$181,363.46	31552013	Mather Center	\$749,058.46
10101011-49100	Fund Balance	\$567,695.00			
	TOTAL	\$749,058.46		TOTAL	\$749,058.46

**** MR. PALEN SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY.**

Discuss and Take Action on Appropriation and Bond Authorization for DPW Garage Design (\$230,000)

Mr. Gentile, the Public Works Director, came forward and said that the project was using Silver Petrucelli that did the feasibility study. He said that it would take about six months and was looking to break ground in April. He listed the various design issues that had been changed. The resolution is for design documents.

Mr. Huck said that he felt that Mr. Gentile has done a good job in presenting the project. He asked why this wasn't included in the budget. Mr. Gentile said that in January, he had three other projects going and wants to give this large project the proper oversight. Discussion followed about the feasibility study, how the design would address the needs of the Town equipment and the details of the project. The architect would be Silver Petrucelli.

Mr. Orr said that he had great concerns about environmental issues, particularly about the wash bay portion and the removal of the underground tanks. Mr. Gentile said that the system that was in place now indicated that the tanks were in good condition. The DEEP has a monitoring system where they come down once every six months to inspect the tanks. He went on to speak about how moving the tanks above ground would help, in terms of winter storm issues with the police also using the same fuel tanks, and the uncertainty of fuel deliveries during stormy winter weather.

Mr. Huck asked if this project would be bonded. Ms. Charneski said that it could be bonded. Discussion followed about what would happen if the Town decided not to bond. Ms. Charneski outlined how that could be handled through a Special Appropriation.

Mr. Gentile said that while he did support having a Building Committee, he did want to move the project forward quickly. Mr. Zagrodzky said that once the project was approved, he did not see why Mr. Gentile couldn't move forward on the project.

Mr. Davis raised a question about the bonding for the DHS cafeteria. He suggested that the bonding for the cafeteria be included in the bond for the garage. Mr. Zagrodzky said that this should be discussed with the Board of Education. Discussion followed about the details.

**** MR. ORR MOVED THE APPROPRIATION AND BOND AUTHORIZATION FOR DPW GARAGE DESIGN (\$230,000).**

**** MR. PALEN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Mr. Zagrodzky said that he had asked Ms. Charneski to prepare a Debt Service overview. Ms. Charneski then reviewed the figures with the Board Members. Discussion followed. Mr. Palen pointed out that he would like more information on the deferring payments on new to level future debt service. Ms. Charneski said that she would like to have a conversation about bonding and debt at a future meeting.

CONTINGENCY TRANSFERS

Board of Finance Audit - Independent Audit (\$2,788)

Mr. Zagrodzky gave a brief overview of the audits that were done.

**** Ms. MAGUIRE MOVED THE FOLLOWING TRANSFER:**

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
10704000-86600	BOF Contingency	\$2,788	10104061-82007	Independent Audit	\$2,788
	TOTAL	\$2,788		TOTAL	\$2,788

**** MR. HUCK SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Board of Finance Audit - Clerical Services (\$490)

Mr. Zagrodzky said that he appreciated all the excellent work that the secretarial service provides with the minutes.

**** MR. ORR MOVED THE FOLLOWING TRANSFER:**

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
10704000-86600	BOF Contingency	\$490	10104061-82004	Clerical Services	\$490
TOTAL		\$490	TOTAL		\$490

**** MR. PALEN SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

Public Works - Street Light Acquisition (\$408,282)

Mr. Gentile came forward and reviewed the details of the project. It is a guaranteed rebate from Eversource and is not funding from the State. The discussion moved to the timing. Mr. Gentile explained that there is a September deadline that will result in an increase in the cost if the order is not placed before then.

Mr. Jack Davis came forward to ask some questions. He asked if Tanko Streetlight would be doing a one to one swap. Mr. Gentile said that the first step will be a tally of the lights. Secondly the GPS coordinates and an assessment of the lighting fixtures. Finally, the savings will be realized by the reduction of the wattage with the change from an incandescent bulb to an LED. Mr. Davis asked if there would be a reduction of light fixtures due to the better illumination. Mr. Gentile said that he thought that would be done during the assessment phase.

Mr. Davis said that if the Board decides to approve something that would not involve the RTM but would eventually receive a rebate, it would be good to give a brief presentation to the RTM so they are aware of the process. It was pointed out that the RTM does not need to approve a rebate. The money would go into a special fund and then the Board of Finance would transfer the funding to the appropriate account. Mr. Davis said that it would be good public relations to keep the RTM in the information loop. Mr. Zagrodzky said that he had no problem keeping the RTM informed as a courtesy.

Mr. Zagrodzky said that the Board could pay the entire amount out of Contingency or they could add it into a bond in the future. Discussion followed about how this would be done and the Return on Investment over three years and over twenty years.

**** MR. PALEN MOVED THE FOLLOWING TRANSFER:**

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
30111014-908600	BOF Contingency	\$408,282.00	30441014-916026	Street Light Acquisition	\$408,282.00
	TOTAL	\$408,282.00		TOTAL	\$408,282.00

**** MR. HUCK SECONDED.**
**** THE MOTION PASSED UNANIMOUSLY.**

Mr. Zagrodzky said that there had been a recent newspaper article claiming that the new lights were too bright. He passed around a copy of the article. A brief discussion followed about the amount of wattage that would be used.

Fire Commission - Repair Old Drill Tower (\$15,319)

Mr. Shaun Volin, the Chairman of the Board of Fire Commissioners came forward to present the request for the transfer for funding because there were additional structure issues. There are structural beams that are deteriorated. The vendor is the SCS Corporation. Mr. Zagrodzky pointed out that the costs were estimated to be only \$11,677. Mr. Volin said that he had factored in the additional money as contingency in case there were extra engineering costs. Discussion followed.

**** MR. PALEN MOVED TO AMEND THE FOLLOWING TRANSFER FROM:**

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
30111014-908600	BOF Contingency	\$15,319.00	30333444-916895	Repair old drill tower	\$15,319.00
	TOTAL	\$15,319.00		TOTAL	\$15,319.00

TO:

FROM:			TO:		
Acct. Number	Account Name	Amount	Acct. Number	Account Name	Amount
30111014-908600	BOF Contingency	\$11,677.00	30333444-916895	Repair old drill tower	\$11,677.00
	TOTAL	\$11,677.00		TOTAL	\$11,677.00

**** MR. HUCK SECONDED.**
**** THE MOTION TO AMEND PASSED UNANIMOUSLY.**

APPOINTMENT OF BLUM SHAPIRO AS AUDITOR FOR FISCAL YEAR 2016.

Mr. Zagrodzky said that he was pleased with Blum Shapiro's input during a recent conference call. Ms. Charneski said that she had only arrived at the end of the process but that she had heard nothing negative about the audit process. Mr. Charneski then recommended the Board appoint Blum Shapiro as the auditors.

**** MR. ORR MOVED TO APPROVE THE APPOINTMENT OF BLUM SHAPIRO AS AUDITOR FOR FISCAL YEAR 2016.**

**** MS. MAGUIRE SECONDED.**

**** THE MOTION PASSED UNANIMOUSLY.**

FINANCIAL REPORT

Ms. Charneski reviewed the balances in the various contingency accounts.

She then reviewed the details of the General Fund activity, including the revenue from taxes, and permits. Ms. Charneski said there were two items in expenditures that the Board needed to be aware of, which were the Debt Service and Legal Counsel.

Discussion followed about tracking the accounts that should be closed out and the revenue that should be generated from the Parking Vouchers.

APPROVAL OF MINUTES

March 8, 2016.

**** MR. ORR MOVED THE MINUTES OF MARCH 8, 2016 AS AMENDED.**

**** MR. HUCK SECONDED.**

**** THE MOTION TO APPROVE THE MINUTES OF MARCH 8, 2016 AS AMENDED PASSED WITH FOUR IN FAVOR (ZAGRODZKY, HUCK, PALEN AND ORR) AND ONE ABSTENTION (MAGUIRE).**

March 22, 2016

**** MR. PALEN MOVED THE MINUTES FOR MARCH 22, 2016 AS AMENDED.**

The following corrections were noted:

Page 3, under Presentation on Street Lighting Program - Tanko Street Lighting Proposal, paragraph 1, line 6: please change: "The toal cost is" to "The total cost is"

Page 4, Board of Education – Resurface Black Top at Royle School, \$14,000 Motion, please change the following from:

**** MR. ORR MOVED TO APPROVE THE TRANSFER AS FOLLOWS:
BOARD OF EDUCATION – CAPITAL:
RESURFACE BLACK TOP AT ROYALE SCHOOL - \$14,000.
** MR. PALEN SECONDED.
** THE MOTION TO APPROVE THE BUDGET TRANSFER PASSED
UNANIMOUSLY.**

TO:

**** MR. ORR MOVED TO APPROVE THE TRANSFER AS FOLLOWS:
BOARD OF EDUCATION – CAPITAL:
RESURFACE BLACK TOP AT ROYLE SCHOOL - \$14,000.
** MR. PALEN SECONDED.
** THE MOTION TO APPROVE THE BUDGET TRANSFER PASSED
UNANIMOUSLY.**

**** MR. ORR SECONDED.
** THE MOTION TO APPROVE THE MINUTES FROM MARCH 22, 2016 AS
AMENDED PASSED UNANIMOUSLY.**

March 31, 2016

**** MR. ORR MOVED THE MINUTES FROM MARCH 31, 2016 AS AMENDED.
** MR. PALEN SECONDED.
** THE MOTION TO APPROVE THE MINUTES OF MARCH 8, 2016 AS
AMENDED PASSED WITH FOUR IN FAVOR (ZAGRODZKY, HUCK, PALEN
AND ORR) AND ONE ABSTENTION (MAGUIRE).**

April 7, 2016

The following corrections were noted:

Page 2, paragraph 7, line 1 and forward: please correct the spelling of Mr. Zagrodzky's name to "Mr. Zagrodzky"

**** MR. HUCK MOVED THE MINUTES FROM APRIL 7, 2016 AS AMENDED.
** MR. ORR SECONDED.
** THE MOTION TO APPROVE THE MINUTES FROM APRIL 7, 2016 AS
AMENDED PASSED UNANIMOUSLY.**

April 18, 2016

**** MR. PALEN MOVED THE MINUTES FROM APRIL 18, 2016 AS AMENDED.
** MR. ORR SECONDED.**

**** THE MOTION TO APPROVE THE MINUTES OF APRIL 18, 2016 AS AMENDED PASSED WITH FOUR IN FAVOR (ZAGRODZKY, HUCK, PALEN AND ORR) AND ONE ABSTENTION (MAGUIRE).**

SPECIAL ASSIGNMENTS

Mr. Huck reported that he and Mr. McLaughlin had attended a meeting with Mr. Harman and Ms. Sullivan from the BOE about doing an RFP for bringing in a third party consultant that was not associated with the Town or the BOE to guide the group through a shared service bidding process for the health care insurance issues. Discussion followed about how the health care insurance is provided for the BOE.

CHAIRMAN'S REPORT

Mr. Zagrodzky updated the Board on the status of the State Budget and the Educational Cost Sharing Grant funds. The current proposal does restore some of the ECS grant funding. These funds will be put into the General Fund and discussions will be held about the various capital projects that should be restored.

He said that it would also be an opportunity to review the various projects and whether the Town is optimizing the revenues and the taxes with the Board of Education and the Board of Selectmen. Mr. Zagrodzky went on to explain his reasoning for this.

Mr. Davis said that both Kate and Kit had made comments at the RTM meeting about the legislature's budget. He pointed out that if an item such as the boat ramp needed to be replaced, then the fees might need to be adjusted. He said that this type of exercise would allow the Board to review the various items. This would also help both Jennifer and Kate to manage the finances of the Town better. He pointed out that Kate and Dr. Brenner were the two Operating Officers for the Town and the BOE. Any discussions would be handled collaboratively.

Mr. Orr said that there was a constituent who applauded the BOF for the way that the budget was handled.

OTHER BUSINESS

There was no additional business to consider at this time.

ADJOURNMENT

**** MR. ORR MOVED TO ADJOURN.
** MR. HUCK SECONDED.
** THE MOTION PASSED UNANIMOUSLY.**

The meeting adjourned at 9:10 p.m.

Respectfully submitted,

Diana Maguire
Clerk, Board of Finance

Prepared by

S. L. Soltes
Telesco Secretarial Services